

# Local Issues Task Force

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Friday, September 28, 2007  
9:00 a.m.  
Room W110 House Building

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## **ENCLOSURES**

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## **Forms of Municipal Government**

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Consider Draft Legislation ( <i>Agenda Item #2B</i> )	
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## **2007 MEETING DATES**

### **Local Issues Task Force**

<b><u>Date</u></b>	<b><u>Time</u></b>	<b><u>Place</u></b>
Thursday, May 3	9:00 a.m. - Noon	Room W125, West Office Bldg
Wednesday, May 23	9:00 a.m. - 3:00 p.m.	Room W110, West Office Bldg
Tuesday, June 19	9:00 a.m. - 3:00 p.m.	Room W110, West Office Bldg
Monday, July 23	9:00 a.m. - 3:00 p.m.	Room W110, West Office Bldg
Wednesday, August 1	2:00 p.m. - 5:00 p.m.	Room W110, West Office Bldg
Tuesday, August 14	2:00 p.m. - 5:00 p.m.	Room W135, West Office Bldg
Tuesday, August 21	2:00 p.m. - 5:00 p.m.	Room W110, West Office Bldg
Friday, September 28	9:00 p.m. - Noon	Room W110, West Office Bldg

# OFFICE OF LEGISLATIVE RESEARCH & GENERAL COUNSEL



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## NOTICE OF MEETING

### LOCAL ISSUES TASK FORCE

The task force chairs have scheduled the following meeting:

**DATE: Friday, September 28, 2007**  
**TIME: 9:00 a.m.**  
**PLACE: Room W110 House Building**

If task force members would like to be excused from the meeting, they may call Joseph Wade or Wendy Bangerter at 538-1032.

### TASK FORCE MEMBERS

Sen. Carlene M. Walker, Co-Chair  
Rep. Aaron Tilton, Co-Chair

Sen. Scott D. McCoy  
Sen. Howard A. Stephenson  
Rep. John Dougall

Rep. Janice M. Fisher  
Rep. Julie Fisher  
Rep. Gregory H. Hughes

Rep. Todd E. Kiser  
Rep. Karen W. Morgan

### STAFF

Joseph Wade  
Policy Analyst

Robert H. Rees  
Associate General Counsel

Wendy L. Bangerter  
Legislative Secretary

*Prepared September 24, 2007*

**LOCAL ISSUES TASK FORCE  
2007 MEMBERSHIP LIST**

Carlene M. Walker (Co-Chair)	4085 E Prospector Dr Salt Lake City, Ut 84121	(O) 801 733-4599 (F) 801 942-4085	cwalker@utahsenate.org
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Rep. Aaron Tilton (Co-Chair)	2594 E 700 S Springville, Ut 84663	(H) 801 491-2051 (C) 802 361-5881	atilton@utah.gov
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Sen. Scott D. McCoy	560 E 700 S Salt Lake City, Ut 84102	(H) 801 359-2544 (O) 801 533-8383	mccoys@howrey.com
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Sen. Howard A. Stephenson	1038 E 13590 S Draper, Ut 84020	(H) 576-1022 (O) 801 972-8814	hstephenson@utahsenate.org
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Rep. John Dougall	Po box 771 American Fork Ut 84003	(H) 801 492-1365 (O) 801 492-1365	jdougall@utah.gov
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Rep. Janice M. Fisher	6411 W 3785 S West Valley City, Ut 84128	(H) 801 250-2698	janicefisher@utah.gov
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Rep. Julie Fisher	865 S Orchard Ct Fruit Heights, Ut 84037	(H) 801 544-2229	jfisher@utah.gov
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Rep. Gregory H. Hughes	14057 S New Saddle Rd Draper, Ut 84020	(H) 801 572-5305 (O) 801 548-2922	greghughes@utah.gov
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Rep. Todd E. Kiser	10702 S 540 E Sandy, Ut 84070	(H) 801 571 0179 (O) 801 266-6800	toddkiser@utah.gov
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Rep. Karen W. Morgan	8378 Austrian Way Salt Lake City, Ut 84121	(H) 801 943-0067 (O) 801 538-1029 (F) 801 943-9614	karenmorgan@utah.gov
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**COMMITTEE STAFF**

Joseph Wade, Policy Analyst (jwade@utah.gov)  
Robert H. Rees, Associate General Counsel (rrees@utah.gov)  
Wendy L. Bangerter, Committee Secretary  
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**AGENDA**  
**LOCAL ISSUES TASK FORCE**  
UTAH LEGISLATURE

Approximate  
Time Frame

Friday, September 28, 2007 • 9:00 a.m. • Room W110 House Building

9:00    **1. Committee Business**

- Call to order - Senator Carlene Walker, Co-chair
- Approval of minutes of July 23, August 1, August 14, and August 21, 2007 meetings

**2. Forms of Municipal Government**

- A. Review of Guiding Principles Adopted by the Task Force
- B. Consider Draft Legislation
  - Explanation of legislation: Robert H. Rees, Associate General Counsel
  - Response to legislation: Utah League of Cities and Towns
  - Task force questions
  - Public comment
  - Task force discussion and action

Noon    **3. Other Items / Adjourn**

**MINUTES OF THE  
LOCAL ISSUES TASK FORCE**

Monday, July 23, 2007 – 9:00 a.m. – Room W110 House Building

**Members Present:**

Sen. Carlene M. Walker, Co-chair  
Rep. Aaron Tilton, Co-chair  
Sen. Scott D. McCoy  
Sen. Howard A. Stephenson  
Rep. John Dougall  
Rep. Janice M. Fisher  
Rep. Julie Fisher  
Rep. Gregory H. Hughes  
Rep. Todd E. Kiser  
Rep. Karen W. Morgan

**Staff Present:**

Joseph Wade, Policy Analyst  
Phillip V. Dean, Policy Analyst  
Robert H. Rees, Associate General Counsel  
Angela D. Oakes, Associate General Counsel  
Wendy Bangerter, Legislative Secretary

**Note:** A list of others present, copy of related materials, and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Committee Business**

Chair Walker called the meeting to order at 9:05 a.m.

**MOTION:** Rep. Kiser moved to approve the minutes of the June 19, 2007 meeting. The motion passed unanimously. Rep. Hughes, Rep. Morgan, and Rep. Tilton were absent for the vote.

**2. Forms of Municipal Government**

**A. Review of Guiding Principles Adopted by the Task Force**

Chair Walker reviewed the guiding principles that were adopted by the task force in the May 23rd meeting. She specifically addressed the need to achieve the principle of clarity.

**B. Proposal from the Task Force Chairs**

Mr. Rees introduced and explained a proposal, "Outline of an Option for Clarifying Statutory Provisions Relating to the Forms of Municipal Government." The chart identified different forms of government.

Chair Walker stated that the goal of today's discussion is to give Mr. Rees specific draft information so that draft legislation can be discussed at the next meeting.

Chair Tilton arrived and assumed chairing the meeting.

The task force members discussed options to include in draft legislation.

Mr. Lincoln Shurtz, Utah League of Cities and Towns, spoke in favor of having a default form of government under incorporation. He noted points that could be eliminated from statute if the proposal is adopted.

Mr. Fred Panucci, Mayor of Syracuse, referred to Section 10-3-809 in the Utah Code that defines and

itemizes mayoral duties. He spoke against the proposal because it changes those duties. The people expect the mayor to function as the executive. He suggested that if the proposal were to be adopted, the mayor should be made the chairman of the city council and the mayor position could be eliminated.

Task Force discussion followed.

Mr. Danny Hammond, Syracuse City Council, presented an additional option, which would be to establish a seven-member city council.

Ms. Michelle Stallings, resident of Lehi, spoke against the proposal, saying that it does not retain the citizen right to hold an elected official responsible or have representation from an elected official.

Mr. Craig Laurence, citizen of Lehi, agreed there needs to be clarification of powers and duties. He made suggestions, specifically regarding the charter form of government.

Mr. DeLynn Summers, resident of Bluffdale City, reported on the results of the referendum vote of the citizens regarding the form of government. He noted that a measure of peace was noticeable following the election. He spoke in favor of clarifying titles and duties.

Ms. Claudia Anderson, Mayor of Bluffdale, spoke to the need for duty clarification. Now that the people have voted, she has no duties because the city manager now has total responsibility. Her concern is what the people want and what they expect from their mayor.

Mr. Lurlen Knight, Syracuse City Council, addressed language of the bill and the need for advice and consent in hiring and firing employees.

Mr. Rees summarized three forms of government: (1) very strong mayor; (2) moderate strong mayor; and (3) commission. He addressed several options for cities to transition to one of those forms.

Sen. Walker stated that before the next meeting, research will be done to see if the city governments will fit cleanly into one of these forms.

Mr. Larry Shingleton, Syracuse resident, expressed concern for the transition.

### **C. Appointment and Removal of Certain Officials**

Rep. Christopher N. Herrod, study sponsor, gave some background on how 2007 General Session H.B. 457, "Municipal Amendments," came about. The question to consider is whether to require the advice and consent of the municipal council or legislative body with respect to the removal of department heads, officers and employees, commissions, boards, committees, and planning commission members.

Mr. Shurtz clarified points and made recommendations that there should be advice and consent.

Sen. Walker recommended a close working relationship with Rep. Herrod and his team.

### **3. Break for Lunch**

**MOTION:** Rep. Dougall moved to recess for lunch. The motion passed unanimously.

Chair Tilton called the second portion of the meeting to order at 1:10 p.m.

### **4. School Building Finance**

- A. Current Capital Outlay Foundation Program,**
- B. Current Enrollment Growth Program**
- C. Discussion of Policy Questions**

Mr. Joseph Wade, Policy Analyst, distributed and reviewed "Capital Outlay Foundation Program" and "Enrollment Growth." He explained the current Capital Outlay Foundation Program and the current "Enrollment Growth Program" and how much they receive in funding each year and what their purpose is. He also distributed and reviewed "Capital Outlay Foundation and Enrollment Growth Program." He distributed "Capital Outlay Option Scenarios - COMPARISON." That chart compared the Enrollment Growth Program, the Foundation Guarantee, the Capital Foundation and Enrollment Growth, and Sen. Stephenson's equalization proposal.

Task force questions and discussion followed.

#### **D. Countywide Equalization Proposal**

Mr. Brian Allen, Attorney, Cottonwood Heights City, explained his countywide equalization proposal that included property tax yield per year. He stated that there is likely going to be a property tax increase, but feels that the people would like to have the voice in where and how much.

#### **E. Local Replacement Equalization Proposal**

Rep. John Dougall distributed and explained his local revenue per WPU county-wide proposal.

#### **F. Statewide Equalization Proposal**

Mr. Phil Dean reviewed an updated version of the previously viewed draft legislation, "School Facility Funding Equalization." He noted some areas of the bill that would need editing. He also reviewed "Equalization Option - Statewide."

Sen. Stephenson explained his statewide equalization proposal. He called his plan an amendment to growth. He stated it is tied to property taxes, as opposed to income taxes.

The task force members discussed the issue and some had concerns with the proposal that includes a tax increase.

Chair Walker explained that some entities have decided to vote on school district divisions and will have difficulties implementing those divisions without an equalization plan laid out as soon as possible.



Mr. Jay Blaine, Granite Education Association, expressed concern that the discussion only addresses capital needs, not operations and maintenance, which will increase after a district division.

Ms. Angela Davis, Riverton City resident, stated that a tax increase will be a problem. She asked why impact fees from citizens are not being utilized. It was explained to her that a developer passes along the impact fee costs to the home buyer so they are being utilized.

Mr. Ray Timothy, Superintendent, Park City School District, expressed concern for the long-term viability of shifting property tax to income tax.

Ms. Lisa Kirchenheiter, Park City School District Board of Education, asked that the Legislature consider the impact to student achievement in their deliberations.

Mr. Steve Peterson, Utah School Boards Association, read some statements and questions from the association. They spoke in favor of Sen. Stephenson's proposal. Staff addressed questions from the association.

Task Force discussion followed.

Ms. Patty Murphy, Park City School District, asked questions regarding the basic school levy.

Ms. Angela Davis, resident of Riverton City, stated there is a group that will file a law suit if the bill is endorsed and put before the legislative body because the bill affects other issues and violates the 14th amendment. Mr. Rees responded that the Office of the Attorney General has stated there is not a substantial argument against equal protection and has stated the bill would be constitutional.

Ms. Robin Frodge, President, Jordan Education Association, expressed concern for the increased challenges and problems if the funding is not adequate to maintain current programs when the Jordan School District completes its division.

**MOTION:** Sen. Stephenson moved to request that the chairs and the bill sponsor meet with legislative leadership regarding this proposal and to request leadership's support for special session. The motion passed unanimously. Rep. Janice Fisher and Rep. Hughes were absent for the vote.

## **5. Other Items / Adjourn**

Sen. Walker proposed that a short meeting be planned for Wednesday, August 1, 2007 at 2:00 p.m. to discuss the proposed legislation.

**MOTION:** Rep. Julie Fisher moved to adjourn the meeting. The motion passed unanimously. Rep. Janice Fisher and Rep. Hughes were absent for the vote.

## **MINUTES OF THE LOCAL ISSUES TASK FORCE**

Wednesday, August 1, 2007 – 2:00 p.m. – Room W110 House Building

### **Members Present:**

Sen. Carlene M. Walker, Co-chair  
Rep. Aaron Tilton, Co-chair  
Sen. Howard A. Stephenson  
Rep. Gregory H. Hughes  
Rep. Todd E. Kiser  
Rep. Karen W. Morgan

### **Members Absent:**

Sen. Scott D. McCoy  
Rep. John Dougall  
Rep. Janice M. Fisher  
Rep. Julie Fisher

### **Staff Present:**

Joseph Wade, Policy Analyst  
Phillip V. Dean, Policy Analyst  
Robert H. Rees, Associate General Counsel  
Angela D. Oakes, Associate General Counsel  
Wendy Bangerter, Legislative Secretary

**Note:** A list of others present, copy of related materials, and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

### **1. Committee Business**

Chair Walker called the meeting to order at 2:35 p.m.

### **2. School Building Finance - Discuss Equalization Proposals**

Sen. Walker explained that the governor has agreed to call a special session if this Task Force is able to present a consensus bill. She said in order to do that, the Task Force will need to postpone consideration of the forms of municipal government issue until the funding equalization issue has been resolved.

Mr. Phil Dean, Policy Analyst, explained "Initial Equalization Option - Statewide" and the draft legislation, "School District Facility Funding Equalization." He noted recent changes made to the draft. He emphasized that in this proposal, there is no net reduction to school district funding.

Mr. Dean reviewed three other proposals for equalization options referring to, "Revised Statewide Equalization Concept 1" and "Sum of all Tax Rates Related to Capital Outlay and Debt Service," which equalizes more of the property tax rates, but does not include charter schools. "Concept 2, Part 2 does include charter schools. Concept 3 also included charter schools for growth through an increase of the property tax rate.

Sen. Stephenson explained the pros and cons of the options. He recommended keeping the resolution as simple as possible by funding growth only, either by taking the money off the table or equalizing the taxes.

Task force discussion followed.

Chair Tilton recommended limiting the discussion to what is right for equalization and not address the county problems at this time.

Sen. Stephenson stated that since Utah has a statewide education program, it makes sense to fund the capital outlay statewide. He proposed sending the growth formula equalization proposal to the legislative body, with two options for funding it. He recommended two separate bills.

**MOTION:** Rep. Morgan moved to ask the Office of Fiscal Analyst to supply information to the task force as to what percentage of each district's property tax will be equalized on a statewide basis to fund the growth component and the dollar amount impact. The motion passed unanimously.

**MOTION:** Sen. Stephenson moved to request leadership and the governor to call a special session to consider funding equalization for growth with two options available: (1) income tax and (2) equalized property tax. Also, to consider the bill regarding the Suncrest issue. The motion passed unanimously.

**MOTION:** Sen. Stephenson moved that if a special session is approved, a request be made for a joint meeting of the Education Interim Committee and the Local Issues Task Force for the purpose of holding a public hearing, after which a recommendation will be made to the Legislature during the special session. The motion passed unanimously.

The date discussed for the meeting was Tuesday, August 14, 2007.

Chair Walker summarized that there will be two bills for the task force members to study before a special session, in addition to the consensus bill. She encouraged the members to educate other members of the Legislature on the subject as they associate with them at NCSL (National Conference of State Legislators) next week.

Mr. Zane Woolstenhulme, business administrator for South Summit School District, expressed concern that taking a percentage of the property tax would tend to make it less stable.

### **3. Other Items / Adjourn**

**MOTION:** Rep. Morgan moved to adjourn the meeting. The motion passed unanimously.

Chair Walker adjourned the meeting at 4:00 p.m.

**MINUTES OF THE JOINT MEETING OF THE  
EDUCATION INTERIM COMMITTEE AND LOCAL ISSUES TASK FORCE**

Tuesday, August 14, 2007 – 2:00 p.m. – Room W135 House Building

**Members Present:**

Sen. Howard A. Stephenson, Senate Chair  
Sen. Margaret Dayton, Senate Vice Chair  
Rep. Gregory H. Hughes, House Chair  
Sen. Curtis S. Bramble  
Sen. Lyle W. Hillyard  
Sen. Patricia W. Jones  
Sen. Mark B. Madsen  
Rep. Sylvia S. Andersen  
Rep. Kory M. Holdaway  
Rep. Rebecca D. Lockhart  
Rep. Carol Spackman Moss  
Rep. Patrick L. Painter  
Rep. LaWanna "Lou" Shurtliff  
Rep. Kenneth W. Sumsion  
Rep. Mark A. Wheatley

**Members Present:**

Sen. Carlene M. Walker, Senate Chair  
Rep. Aaron Tilton, House Chair  
Sen. Scott D. McCoy  
Sen. Howard A. Stephenson  
Rep. Janice M. Fisher  
Rep. Julie Fisher  
Rep. Gregory H. Hughes  
Rep. Todd E. Kiser

**Members Absent:**

Sen. Ross I. Romero  
Rep. Brad L. Dee  
Rep. Craig A. Frank  
Rep. James R. Gowans  
Rep. Bradley G. Last  
Rep. Merlynn T. Newbold  
Rep. Stephen H. Urquhart

**Staff Present:**

Ms. Constance C. Steffen, Policy Analyst  
Mr. Phillip V. Dean, Policy Analyst  
Mr. Dee S Larsen, Associate General Counsel  
Ms. Glenda S. Whitney, Legislative Secretary

**Members Absent:**

Rep. John Dougall  
Rep. Karen W. Morgan

**Staff Present:**

Mr. Joseph T. Wade, Policy Analyst  
Mr. Phillip V. Dean, Policy Analyst  
Mr. Robert H. Rees, Associate General Counsel  
Ms. Angie Oakes, Associate General Counsel

**Note:** A list of others present, a copy of related materials, and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Committee Business**

Sen. Walker called the meeting to order at 2:26 p.m. Rep. Frank, Rep. Gowans, Rep. Last, Rep. Dougall, and Rep. Morgan were excused from attending the meeting.

Sen. Walker explained that motions will be made, and votes taken, separately for the Education Interim Committee and the Local Issues Task Force.

**2. School Building Equalization**

Mr. Dean provided background information on school building funding. He distributed and discussed handouts, "2005 School District Property Tax Levy Rates and Revenues," and "Property Tax Base Per Student."

Mr. Dean discussed draft legislation, "School Capital Outlay Equalization." He distributed and discussed handouts, "County Equalization Proposal," and "First Class County Equalization Option - August 14, 2007."

Ms. Oakes reviewed draft legislation, "School Capital Outlay Equalization." She noted the bill equalizes school capital outlay funding in counties of the first class.

Rep. Hughes discussed the bill and responded to committee and task force members' questions.

Sen. Stephenson discussed draft legislation, "School District Facility Funding Equalization." He noted that the bill enacts various changes related to school capital outlay funding.

Mr. Dean distributed and discussed handouts, "Statewide Equalization Proposal," and "Statewide Equalization Option - August 14, 2007."

Ms. Oakes reviewed draft legislation, "School District Facility Funding Equalization."

Sen. Stephenson responded to committee and task force members' questions on the bill.

**MOTION:** Sen. Stephenson, member of the Education Interim Committee and Local Issues Task Force, moved to amend the bill as follows:

Page 1, Line 23: Delete "2008" and insert "2009".

Page 6, Line 156: Delete "2008" and insert "2009".

The motion was passed unanimously by both the Education Interim Committee and the Local Issues Task Force.

Mr. David Cox, former legislator, spoke in support of school building equalization and distributed copies of his comments.

Mr. Ken Smith, Mount Olympus Community Council, spoke in support of school building equalization and splitting Granite School District.

Mr. Greg Schulz, citizen, Magna, proposed that the state take over responsibility for school buildings.

Ms. Laura Pinnock, citizen, Holladay, spoke in support of school building equalization and the smaller school district initiative.

Ms. Becky English, citizen, Holladay, spoke in support of statewide school building equalization. She noted smaller school districts allow more local and parental control of education.

Ms. Kristi Ellis, citizen, Sandy, spoke in support of splitting school districts.

Ms. Betsy VanDenBerghe, citizen, Holladay, spoke in support of smaller school districts. She noted smaller school districts are more responsive to parents.

Ms. Janet Cannon, citizen, Holladay, spoke in support of the equalization proposal and splitting Granite School District.

Mr. McKell Withers, Superintendent, Salt Lake City School District, said Salt Lake City School District will have to replace the revenues it will lose. He advocated equalization using state funds.

Ms. Sandy Thackeray, educator, spoke in support of small school districts. She noted on a national level that the best schools are in smaller school districts.

Mr. Kelvyn Cullimore, Mayor, Cottonwood Heights, spoke in support of school building equalization and splitting Jordan School District. He said that many have criticized the eastside for wanting to split from Jordan School District to avoid the cost of building new westside schools. He said this is not the motivation for a split with Jordan School District but rather better education of the students.

**MOTION:** Rep. Hughes, member of the Education Interim Committee and Local Issues Task Force, moved to pass with a favorable recommendation the statewide equalization plan and the countywide equalization plan, with the statewide proposal being the ultimate goal and the countywide proposal being a backup if the statewide proposal is not widely received. The motion was passed by both the Education Interim Committee and the Local Issues Task Force with Sen. Hillyard, Rep. Holdaway, and Rep. Shurtliff, members of the Education Interim Committee, and Rep. Janice Fisher, member of the Local Issues Task Force, voting in opposition.

### **3. New School District Creation**

Sen. Walker referred to Rep. Dougall's draft legislation, "Creation of New School District Amendments," that was distributed in the mailing packet. Sen. Walker explained the bill was modified since it was approved by the Education Interim Committee in July. She discussed the changes and noted the bill modifies provisions related to the creation of a new school district.

Mr. Rees responded to committee and task force members' questions regarding the draft bill.

**MOTION:** Sen. Hillyard, member of the Education Interim Committee, moved to further amend the bill as follows: Page 3, Line 75: After "five" insert "business".  
The motion was passed by the Education Interim Committee with Rep. Holdaway voting in opposition.

**MOTION:** Sen. McCoy, member of the Local Issues Task Force, moved to amend the bill as follows:  
Page 3, Line 75: After "five" insert "business".  
The motion was passed unanimously by the Local Issues Task Force.

**MOTION:** Sen. Stephenson, member of the Education Interim Committee and Local Issues Task Force, moved to amend the bill as follows:  
Page 10, Line 283: Delete "five" and insert "six".

Mr. Craig Shuler, citizen, Sandy, commented on the bill.

The motion was passed by the Education Interim Committee and the Local Issues Task Force with Sen. Hillyard, Rep. Lockhart, and Rep. Sumsion, members of the Education Interim Committee, voting in opposition, and Sen. McCoy, member of the Local Issues Task Force, voting in opposition.

**MOTION:** Sen. Dayton, member of the Education Interim Committee, moved to adopt the bill as amended. The motion was passed by the Education Interim Committee with Sen. Hillyard, Rep. Holdaway, and Rep. Shurtliff voting in opposition.

**MOTION:** Rep. Hughes, member of the Local Issues Task Force, moved to adopt the bill as amended. The motion was passed by the Local Issues Task Force with Rep. Janice Fisher voting in opposition.

#### **4. Other Items / Adjourn**

**MOTION:** Rep. Bramble moved to adjourn the meeting. The motion passed unanimously.

Chair Walker adjourned the meeting at 5:26 p.m.

**MINUTES OF THE  
LOCAL ISSUES TASK FORCE**

Tuesday, August 21, 2007 – 2:00 p.m. – Room W110 House Building

**Members Present:**

Sen. Carlene M. Walker, Co-chair  
Rep. Aaron Tilton, Co-chair  
Sen. Scott D. McCoy  
Sen. Howard A. Stephenson  
Rep. John Dougall  
Rep. Janice M. Fisher  
Rep. Julie Fisher  
Rep. Gregory H. Hughes  
Rep. Todd E. Kiser  
Rep. Karen W. Morgan

**Staff Present:**

Joseph Wade, Policy Analyst  
Phillip V. Dean, Policy Analyst  
Robert H. Rees, Associate General Counsel  
Angela D. Oakes, Associate General Counsel  
Wendy Bangerter, Legislative Secretary

**Note:** A list of others present, copy of related materials, and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Committee Business**

Chair Tilton called the meeting to order at 2:30 p.m.

Chair Tilton announced the revision to the agenda. He explained the rules for the public comment portion of the meeting.

**3. Consideration of draft legislation "Interlocal Agreement Participant Requirements for Creation of New School District"**

Rep. Karen Morgan explained 2008 General Session, H.B. 1002, "Interlocal Agreement Participant Requirements for Creation of New School District."

**MOTION:** Rep. Dougall moved to favorably recommend 2008 General Session, H.B. 1002, "Interlocal Agreement Participant Requirements for Creation of New School District" and to adopt it as a committee bill. The motion passed with Sen. Stephenson voting in opposition.

**2. Consideration of Legislation Regarding Equalization of Funding for School Capital Outlay in Counties of the First Class**

Rep. Hughes reviewed changes made to draft legislation, "School Capital Outlay Equalization," since the August 14, 2007 joint meeting with the Education Interim Committee.

Handout "First Class County Equalization Option - .0009 rate" as prepared by the Office of Legislation Research and General Counsel was also distributed to the task force members.

Mr. Dave Buhler, Salt Lake City Council, distributed and reviewed a draft resolution opposing equalization of funding for school districts.

Mr. Doug Nelson, Salt Lake City Board of Education, spoke in opposition to the draft legislation. He



reminded the task force members that it takes funding to rebuild schools just as it does to build new ones.

Mr. Eric Jergensen, Salt Lake City Council, expressed the need to study this issue further before making a decision.

Mr. Mark Maxfield, Salt Lake City School Board, commented on the WPU, which equalizes funding. He reviewed some of the specific needs Salt Lake School District has that other districts do not. He is not opposed to equalization, but feels the need to study how they would handle the impact.

Sen. McCoy reviewed several options for equalizing funding.

Mr. McKell Withers, Salt Lake City School District, spoke in favor of a statewide equalization program. He distributed and reviewed "What Does County Equalization Mean for Salt Lake City?" He encouraged the Legislature to not take action on this issue during the special session.

Mr. Stephen Ronnenkamp, Superintendent of Granite School District, encouraged the Legislature to study equalization further. He noted that this bill is just a redistribution of funds, but raises no new capital funds. He expressed concern that a decision is being made quickly in a special session. He feels there is time to study the issue further and to create and fund a better statewide bill.

Sen. Stephenson questioned why the state couldn't equalize the property tax just as is done with the income tax.

Rep. Janice Fisher spoke in favor of further study of the equalization issue before a decision is made.

Ms. Heather Bennett, Salt Lake City School Board, spoke in favor of equalization and offered her services to work on equalization statewide. She feels this bill does not accomplish equalization.

Task Force members asked clarifying questions of the speakers.

Mr. Steve Peterson, School Board's Association and Superintendent's Association, addressed a legal question from the Utah Constitution indicating that political subdivisions of the state can access and collect taxes for their own purposes, not for others' purposes.

Ms. Krista Dunn, Murray City Council, expressed concern for the elderly population and the impact of higher taxes to them. She spoke in favor of increased funding to all districts to take care of growth, not just moving money around from district to district.

Sen. McCoy stated that equalization for equalization's sake will not close the gap between the haves and the have nots. He also stated that increased funding is needed.

Seeing no further comments, Chair Tilton closed the public hearing. He informed the audience that this issue is not new, that it has been discussed for several years. He stated that the task force has been meeting this year since May to learn about and address this issue.

The task force members discussed specifics of the bill.

Sen. Stephenson explained an amendment he will be presenting at tomorrow's special session. He distributed and explained "Distribution of Property Tax Base, Enrollment Growth, and Total Enrollment" and "Taxable Value per Enrolled Student." Both showed the disparity from county to county in assessed valuation per student and student growth and enrollment. He addressed the need to have a safety net in place if the district split ballot goes forward.

#### **4. Adjournment**

**MOTION:** Sen. McCoy moved to adjourn the meeting. The motion passed unanimously.

Chair Tilton adjourned the meeting at 3:55 p.m.

**Adopted Guiding Principles**  
for the Local Issues Task Force  
Relating to its Study of the Forms of Municipal Government

Principles adopted by the Task Force:

1. Respect for voters -- Voters should have a say in any change in the form of municipal government.
4. Clarity -- The powers, duties, functions, and roles of municipal officials in the different forms of government should be clearly delineated in statute. Statutory provisions relating to forms of municipal government should be well organized and structured in statute to avoid duplication, confusion, and ambiguity.
2. Distribution of powers -- There should be appropriate and effective checks and balances within the municipal government structure to prevent the abuse of power and to promote effective government.
5. Flexibility -- Cities and towns should have appropriate flexibility in operating under a form a government that best suits their needs and circumstances.
6. Efficiency -- The forms of government under which cities and towns operate should promote the efficient operation of government.
7. Role and status of cities and towns -- Provisions relating to municipal government should reflect the role and status of cities and towns as political subdivisions of the state, subject to legislative policy directives.

Principle NOT adopted by Task Force:

3. Separation of powers -- Legislative and executive powers should be separated in municipal government.

During the May 23, 2007 meeting the following motion was approved:

**SUBSTITUTE MOTION:** Rep. Dougall made a substitute motion to prioritize No. 1, Respect for voters, as the first guiding principle and No. 4, Clarity, as the second guiding principle and to adopt the other guiding principles except for No. 3, Separation of Powers. The motion passed unanimously.